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## FOREIGN CROPS AND MARKETS

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## LATE CABLES . . . .

Denmark 1939 crop production reported as follows with 1938 comparisons in parentheses: Wheat 15,065,000 bushels (16,935,000), rye 9,842,000 (11,165,000), barley 56,952,000 (62,432,000), oats 70,272,000 (78,828,000), potatoes 41,520,000 bushels (52,642,000), sugar beets 1,753,000 short tons (1,502,000). (International Institute of Agriculture, Rome.)

Australian wheat production for 1939-40 forecast at 183,000,000 bushels compared with 154,426,000 bushels for 1938-39. Yields exceeding expectations. (International Institute of Agriculture, Rome.)

Greece production of wheat for 1939 estimated at 38,287,000 bushels compared with 36,135,000 bushels in 1938, corn at 10,157,000 compared with 7,853,000 bushels. (International Institute of Agriculture, Rome.)

India rice area, second estimate for 1939-40 placed at 69,301,000 acres compared with revised estimate for this time last year of 70,158,000 acres and final estimate for 1938-39 of 72,574,000 acres. (Director of Statistics, Calcutta.)

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NOTICE: A supplement containing the statistics on United States agricultural trade with noncontiguous territories and United States reexports of agricultural products in 1938-39 is ready for distribution and will be sent only upon request.

ARGENTINE GRAIN CROP REDUCED

The first official estimate of 1939-40 Argentine grain production indicates marked reductions in the wheat and flaxseed crops but somewhat larger outturns than in 1938-39 of rye, barley, and oats, according to a cable from the International Institute of Agriculture at Rome. The wheat crop, placed at 146,973,000 bushels, is the second smallest since 1916-17, when only 84,121,000 bushels were produced. The 1938-39 crop of 336,201,000 bushels was the second largest harvest on record and exceeded the average for 1933-34 to 1937-38 by almost 53 percent. Rye production this season was estimated at 14,172,000 bushels, second to the 1934-35 record outturn of 15,645,000 bushels and about 31 percent larger than the 1938-39 crop.

ARGENTINA: Production of specified grains,  
1933-34 to 1939-40

Year	Wheat 1,000 bushels	Rye 1,000 bushels	Barley 1,000 bushels	Oats 1,000 bushels	Flaxseed 1,000 bushels
1933-34.....	286,120	7,249	33,739	57,388	62,595
1934-35.....	240,669	15,645	35,859	62,052	79,720
1935-36.....	141,462	6,023	20,301	35,865	59,445
1936-37.....	249,193	7,480	29,354	54,564	76,200
1937-38.....	184,801	3,523	23,585	47,468	60,603
Average.....	220,449	7,984	28,668	51,467	67,713
1938-39.....	336,201	10,826	20,209	50,293	50,509
1939-40.....	146,973	14,172	34,447	62,004	49,210

International Institute of Agriculture, Rome, and official statistics.

The barley crop, placed at 34,447,000 bushels, is also second only to the record of 1934-35 and compares with 50,293,000 bushels harvested in 1938-39. Oat production, estimated at 62,004,000 bushels, is more than 20 percent larger than both the 1938-39 crop and the average for the 5 years ending with 1937-38. The flaxseed crop was estimated at 49,210,000 bushels, which is less than the below-average outturn of 1938-39. Both flaxseed and wheat were damaged by heavy rains in October and also suffered from frosts in parts of the Province of Buenos Aires and the Territory of Pampa.

Writing on December 5 from Buenos Aires, Agricultural Attaché P. O. Nyhus reported that the current features of the Argentine wheat situation were the poor crop prospects, record carry-over stocks, and slow export movement. Harvesting was under way in northern parts of the wheat zone, with yields low and quality poor. In the important wheat-producing area of San Francisco, it was estimated that half of the farmers would not even cut their wheat and returns to those who did would hardly warrant the

harvesting. Production in that locality was not expected to be much above seed requirements. Prospects in the southern part of the wheat zone were better, but recent frost damage made final yields uncertain.

The carry-over of old-crop wheat in Argentina on January 1, 1940, is expected to be larger than any recorded during the past 25 years. The large 1938-39 crop of 336 million bushels and the stocks carried over on January 1, 1939, gave a total supply of about 342 million bushels. Total domestic utilization usually averages around 100 million bushels and exports for the year are expected to total about 175 million bushels, so that a balance of nearly 67 million bushels will remain on hand at the beginning of the 1940 marketing year.

To facilitate the disposal of this heavy carry-over of old-crop wheat, owned almost entirely by the Argentine Grain Board, a decree was issued on October 10, requiring millers to buy wheat for milling until November 30, 1940, entirely from the Grain Board at the price formerly guaranteed to producers of 7.00 pesos per quintal (57 cents per bushel at current rate of exchange). It is expected that the old-crop wheat carried over will nearly fill domestic milling needs next year, leaving the new crop, less seed requirements, for export during 1940 or carry-over at the end of the year. Because of its poor quality, however, some of the current crop will not be suitable for export.

The outlook for Argentine wheat exports in the new year is not bright, Mr. Nyhus reports. Sales to Europe in recent weeks have not been very active, as a result largely of the war situation and purchases in Canada and elsewhere. Neutral countries in Europe may take small quantities and Brazil is expected to continue to fill its needs in Argentina, but the movement of the bulk of the Argentine crop will probably depend on developments in the English market. The price of Argentine wheat for shipment to Europe early in December had fallen below the minimum formerly guaranteed by the Grain Board and was quoted around 6.60 pesos per quintal (53 cents per bushel).

#### UNITED STATES SHARE OF WORLD WHEAT SHIPMENTS DECREASED

Exports of wheat, including flour as wheat, from principal surplus regions of the world during July-October totaled about 177 million bushels as compared with 167 million in the corresponding period of 1938. Although the movement of United States wheat to foreign markets has been at a reduced level this season, the decrease from last year was not so marked as in the case of Australia and the Danube Basin. Canada increased its shipments by 12 percent over the comparable period in 1938, but the greatest change so far this season was registered by Argentine wheat, which moved into world trade at an average of more than 14 million bushels per month during the first 4 months of the July-June marketing year and totaled over 56 million bushels as against about 20 million in July-October 1938.

WHEAT, INCLUDING FLOUR: Exports from principal surplus countries, July-October 1939, with comparisons

Exporting countries	Average 1925-26	Average 1930-31	1938-39 preliminary	July-October	
	to 1929-30	to 1934-35		1938	1939
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States.....	170,077	73,403	115,784	35,519	26,509
Canada.....	307,640	220,491	159,885	57,088	63,939
Australia.....	83,268	128,363	96,685	29,045	a/16,978
Argentina.....	159,377	143,537	116,113	19,556	56,273
Danube Basin b/ .....	42,758	38,944	80,287	25,335	c/13,677
Total.....	763,120	604,738	568,754	166,543	177,376
Percentage of total					
	Percent	Percent	Percent	Percent	Percent
United States.....	22.3	12.1	20.4	21.3	14.9
Canada.....	40.3	36.5	23.1	34.3	36.1
Australia.....	10.9	21.2	17.0	17.4	9.6
Argentina.....	20.9	23.8	20.4	11.8	31.7
Danube Basin b/ .....	5.6	6.4	14.1	15.2	7.7
Total.....	100.0	100.0	100.0	100.0	100.0

Compiled from official sources except as noted.

a/ Estimated for September-October.

b/ Bulgaria, Hungary, Rumania, Yugoslavia.

c/ Includes Broomhall's weekly shipments during October.

Of the 177 million bushels of wheat shipped by the five producing regions under review, the United States accounted for only 15 percent as compared with 21 percent of the total for July-October 1938. Because of the uncertainties of the European situation and the severe drought in part of the winter-wheat area, the Government has modified its export program to some extent from that of last season. Canada's share of world exports was somewhat greater than in July-October last year, but it was not so large as might have been expected in view of Canada's position in relation to the United Kingdom market. The United States and Canada together supplied more than half of the wheat shipped during July-October, while Australia and Argentina accounted for 41 percent. The Danubian countries exported only about 8 percent as compared with 15 percent in the comparable period of 1938. Because of their proximity to the European war zone, these countries have been hampered in moving their wheat by transportation difficulties, and, at the same time, Government policy has favored larger domestic supplies on hand, for the present at least.

UNITED STATES: Exports of wheat, including flour,  
to principal countries of destination,  
July-October 1937-1939

Country of destination	July-October					
	Exports			Percentage of total		
	1937	1938	1939	1937	1938	1939
	1,000	1,000	1,000			
	bushels	bushels	bushels	Percent	Percent	Percent
United Kingdom.....	2,541	7,967	2,689	10.3	22.4	10.2
Ireland.....	748	1,256	302	3.0	3.6	1.1
Netherlands.....	4,644	9,771	4,791	18.8	27.5	18.1
Belgium.....	3,883	4,494	3,989	15.7	12.7	15.1
Denmark.....	107	230	8	.4	.7	-
Norway.....	264	365	465	1.1	1.0	1.8
Sweden.....	4	42	7	-	.1	-
France.....	297	461	86	1.2	1.3	.3
Germany.....	107	1,605	201	.4	4.5	.8
Italy.....	164	610	11	.7	1.7	-
Greece.....	23	333	54	.1	.9	.2
Other Europe.....	279	394	540	1.1	1.1	2.0
Total Europe.....	13,061	37,518	13,144	52.8	77.5	49.6
Canada.....	4,637	1,012	1,618	18.8	2.9	6.1
Cuba.....	1,523	1,702	1,881	6.2	4.8	7.1
Central America a/.....	735	951	1,151	3.0	2.7	4.3
Mexico.....	252	87	105	1.0	.2	.4
Colombia.....	22	162	248	.1	.5	.9
Brazil.....	90	46	40	.1	.1	.2
Peru.....	311	35	28	1.3	.1	.1
Venezuela.....	386	517	768	1.6	1.5	2.9
Orient b/.....	579	334	3,718	2.3	.9	14.0
Philippine Islands.....	1,001	1,323	1,763	4.1	3.7	6.7
Egypt.....	199	158	66	.8	.4	.2
Others.....	1,863	1,669	1,979	7.6	4.7	7.5
Total.....	24,659	35,519	26,509	100.0	100.0	100.0

a/ British Honduras, Costa Rica, Guatemala, Honduras, Nicaragua, Panama, including Panama Canal Zone prior to January 1, 1938, Salvador.

b/ China, Hong Kong, Japan, Kwantung.

Exports of wheat from the United States during July-October totaled 26,509,000 bushels as compared with 35,519,000 and 24,659,000 bushels, respectively, in the corresponding periods of 1938 and 1937. About 50 percent of this season's shipments have been to European markets, with the Netherlands occupying first place and Belgium second. Exports to the United Kingdom fell from nearly 8 million bushels during July-October 1938 to less than 3 million bushels this season, or from 22 percent of the total

to 10 percent. The Orient was the third most important market during July-October for United States wheat, largely in the form of flour; also, Latin American countries and "others" took somewhat more than in the comparable period of last season.

#### CHINESE IMPORTS OF RAW COTTON DECLINE

A sharp decline in imports of raw cotton into China to a total of 44,631 bales of 478 pounds, occurred in October, according to a radiogram received from the office of the agricultural attache at Shanghai. This was the smallest amount of cotton imported in any one month since last February, when imports totaled 34,045 bales. Arrivals of domestic cotton at Shanghai in November declined about 20 percent, and totaled only 19,921 bales.

CHINA: Imports and exports of raw cotton, October 1939,  
with comparisons a/  
(In bales of 478 pounds net)

Item	September			October		
	1937	1938	1939	1937	1938	1939
	Bales	Bales	Bales	Bales	Bales	Bales
<u>Imports</u>						
United States.....	0	531	3,696	0	317	1,088
British India.....	180	1,134	45,234	0	2,430	13,120
Egypt.....	0	774	1,603	0	1,104	461
Brazil.....	0	1,891	64,067	0	1,625	29,654
Others.....	70	0	2,382	187	52	308
Total.....	250	4,330	116,972	187	5,528	44,631
<u>Exports</u> .....						
	5,432	68,114	364	5,185	48,862	1,673

American consulate general, Shanghai, and Monthly Returns of the Foreign Trade of China.

a/ Excluding Manchuria.

Although the imports for the month were small, it is expected that total imports for the 1939-40 marketing year (October-September) will equal the 1,021,000 bales imported during the 1938-39 season. Predictions for the current season are based on the unusually short 1939 Chinese crop and the probability that Japanese mills in China will be able to export a larger volume of cotton piece goods. Exports, however, of cotton textiles from Shanghai into Chinese-controlled territories, which have been small in the past few months because of transportation difficulties, are likely to be still reduced through expected action of the Chunking Government designed to ban goods made of raw materials of uncertain origin, according to advices received in Washington, December 3. Approximately 30,000 bales of foreign cotton were reported to have been purchased during the month of November.

On November 9 cotton prices for domestic and American Middling 7/8 inch declined slightly in terms of the Chinese yuan, compared with quotations on October 11 owing to the strengthening of the Chinese currency. Toward the end of the month, prices advanced steadily following the Chinese currency depreciation, coupled with the reduction made on American export subsidy payments and the reported additional control by the Japanese military authorities of the movement of the domestic crop. The spot quotation on December 11 for Tungchow, domestic cotton, was 9.32 cents per pound. On December 12, January shipments of American Middling 7/8 inch and December shipments of Indian Akola were quoted at 12.97 and 11.27 cents per pound, respectively. Foreign cotton quotations included an import duty of 8.80 yuan per picul (0.49 cent per pound). American Middling 7/8 inch also included 5/8 percent war-risk insurance for January shipments, whereas Indian Akola carried 1 percent war-risk insurance for December shipments.

The yarn market fluctuated in the same way as the raw cotton market and it was reported that, since the further depreciation of the value of the Chinese dollar, demand from Hong Kong for yarn had been active.

Mill activity in Shanghai and Tientsin increased but in Tsingtao there was decreased activity for November compared with mill operations in October. The total consumption for China, including Manchuria, was estimated to be about 140,000 bales.

It has been reported that the Japanese organized a new Cotton Testing Bureau and a Cotton Control Bureau in Woosung on November 15. The former Bureau is to require all domestic cotton shipped to Shanghai to be tested, fee 2 yuan per picul (0.1 cent per pound) and the latter is to collect a tax of 10 yuan per picul (0.6 cent per pound).

The Japan Cotton Spinners' Association issued semi-annual figures showing that there were 2,154,056 spindles and 31,916 looms installed in Japanese cotton mills in Shanghai, Tsingtao and Tientsin, of which 1,922,808 spindles and 28,999 looms were active.

#### CHILEAN APPLE AND PEAR EXPORTS SET RECORD

Exports of fresh apples from Chile during the 1939 season, January to September, amounted to 615,000 bushels and exports of fresh pears to 26,700 bushels, according to a report from American Consul Fayette J. Flexer at Santiago. Apple exports were almost 60,000 boxes over the shipments during the 1938 season and 250,000 boxes above the average for the previous 5 years, 1933-1937, while pear exports exceeded those of the previous year by 10,000 bushels and amounted to 10,700 bushels above the average during the previous 5 years. Germany was the most important market for Chilean apples, accounting for 449,000 bushels or 73 percent of the total. Peru, Brazil, and France followed in order. European countries as a whole took 527,000 bushels or 86 percent of the total.

CHILE: Exports of apples by principal countries,  
1933-1939

Country	Calendar years						
	1933 1,000 bushels	1934 1,000 bushels	1935 1,000 bushels	1936 1,000 bushels	1937 1,000 bushels	1938 1,000 bushels	1939 a/ 1,000 bushels
Germany.....	42	25	103	265	267	306	449
France.....	89	176	32	75	59	49	31
Belgium.....	0	0	40	9	23	31	8
United Kingdom...	4	1	b/	b/	b/	3	b/
Netherlands.....	21	9	0	0	b/	b/	c/
Sweden.....	b/	0	0	0	2	14	3
Switzerland.....	0	0	0	25	26	22	5
Spain.....	6	9	24	13	0	0	c/
Others.....	1	1	0	23	20	45	31
Total Europe...	163	221	199	410	397	470	527
Peru.....	5	27	24	25	32	51	40
Argentina.....	13	4	b/	b/	b/	b/	c/
Brazil.....	44	120	57	21	34	34	39
Egypt.....	0	1	3	7	0	0	c/
Others.....	5	4	3	4	10	4	9
Total ex-Europe	67	156	87	57	76	89	88
Total.....	230	377	286	467	473	559	615

Compiled from "Comercio Exterior, Chile," "Estadistica Chilena," and consular report. Converted to bushels of 48 pounds.

a/ January to September, which represent major exports for the year.

b/ Less than 500 bushels.

c/ Included in "others."

Peru was the principal importer of Chilean pears, accounting for 38 percent of the total, followed by France with 28 percent. Europe as a whole took 14,900 bushels or 55 percent, compared with an average of 25 percent for the 5 years 1934-1938. (See table on page 709.)

The Chilean fresh-fruit industry has expanded considerably in recent years and as a consequence exports have risen sharply. Exports of apples in 1939 were almost three times the volume shipped in 1933 while pear exports were just over twice the movement in the earlier year. The expansion in the volume of fruit moving to European countries has risen at a more rapid rate than that of exports to ex-European countries. Because of the increased dependency of Chilean fruit growers upon European importing markets, the industry faces a serious problem as a result of the war in the marketing of the 1940 crop. This is particularly

true in the case of apples, since Germany has been the principal customer the past few seasons. The trade has been carried on under a German-Chilean clearing agreement and the war is expected to have serious repercussions upon such agreements. Exports to the Allies and neutral European countries are expected to be limited by the shortage of refrigerated shipping space, the commercial policy of European States, and the shortage of adequate refrigerated storage space in Chile.

CHILE: Exports of pears by principal countries,  
1933-1939

Country	Calendar years						
	1933	1934	1935	1936	1937	1938	1939 a/
	1,000 bushels						
France.....	2.3	2.6	0	0	3.1	3.1	7.6
United Kingdom...	1.7	b/	b/	.5	3.1	.4	2.6
Netherlands.....	0	0	0	1.9	1.3	b/	c/
Spain.....	.6	.3	1.6	1.2	0	0	c/
Other Europe.....	.1	.1	0	0	0	1.8	4.7
Total Europe...	4.7	3.0	1.6	3.6	7.5	5.3	14.9
Brazil.....	5.3	9.6	12.5	.9	4.3	0	c/
Peru.....	1.8	1.8	2.4	4.5	6.3	7.4	10.2
United States....	b/	.5	.2	1.8	1.3	3.1	0
Cuba.....	.6	.2	.4	.7	.7	.1	c/
Ecuador.....	0	.1	1.0	.4	.2	.3	.6
Others.....	.8	.2	.2	.2	.7	.5	1.0
Total ex-Europe	8.5	12.4	16.7	8.5	13.5	11.4	11.8
Total.....	13.2	15.4	18.3	12.1	21.0	16.7	26.7

Compiled from "Comercio Exterior, Chile," "Estadistica Chilena," and consular report. Converted to bushels of 50 pounds.

a/ January to September, which represent major exports for the year.

b/ Less than 50 bushels. c/ Included in "others."

UNITED KINGDOM BIDDING AT SOUTH AFRICAN WOOL AUCTIONS

As recently announced, the Ministry of Supply of the United Kingdom is now bidding at South African wool auctions for the purpose of facilitating the orderly marketing of the current South African wool clip, according to a cable from the American Embassy at London. This step has been taken by the Ministry of Supply for the purpose of insuring that prices in South Africa shall not fall below those in the schedule agreed upon. The schedule of prices has not been disclosed. Trade sources indicate that prices not less than 30 percent above a

a year ago are to be assured growers in South Africa. November prices in South African currency showed about this increase above November 1938.

Prices of 64's/70's at the wool sales during November showed very little variation from week to week, and averaged 47.4 cents per pound, American currency, clean basis, for super combing and 44.1 cents per pound for combing types. During the week ended December 15 the average price of 64's/70's super combing wool at the sales was reported by cable at 29.5d., or 48.8 cents in American currency per pound compared with only 28.8d. (47.6 cents) for the week ended December 1. The November average for super combing was about 7 percent below opening prices on September 28 and the average for combing 11 percent below.

United States buyers have purchased much more wool in South Africa so far this season than a year ago. This activity is partly the result of the purchase of the entire Australian wool clip by the United Kingdom and the difficulty in the early part of the season of obtaining supplies through the United Kingdom Wool Control. The United States usually purchases more wool in Australia than in South Africa. So far, the United States has been the heaviest buyer in the South African market this season with some competition from continental European countries and Japan, and now the United Kingdom has entered the market. Declared exports of South African wool to the United States for November amounted to 8,803,000 pounds of grease and 228,000 pounds scoured. Exports of grease wool to this country during October and November alone amounted to 12,898,000 pounds, whereas in 1938 only 137,000 pounds had been exported to this country in the 5 months July 1 to November 30.

SOUGH AFRICA: Wool exports by countries of destination,  
July-November 1938 and 1939 a/

Country	Season 1938-39					Season 1939-40 b/				
	July pounds	Aug. pounds	Sept. pounds	Oct. pounds	Nov. pounds	July pounds	Sept. pounds	Oct. pounds	Nov. pounds	
United Kingdom.	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
France.....	631	318	1,335	4,424	4,562	1,220	c/	368	c/	c/
Germany.....	1,575	1,054	1,133	5,458	8,373	2,124	c/	-	c/	c/
Belgium.....	252	15	-	4,335	17,615	345	c/	-	c/	c/
Italy.....	253	218	169	1,756	3,440	338	c/	28	c/	c/
Japan.....	817	294	310	2,320	2,781	562	c/	254	c/	c/
United States..	152	12	-	-	-	-	-	776	d/	8,803
Other countries	-	-	-	-	137	-	-	4,095		
Total.....	620	186	153	800	1,185	11	-	776	-	-
	4,300	2,097	3,100	19,093	38,093	4,600	642	6,297	-	-

Compiled from Crops and Markets, Union of South Africa, and reports of the South African Commissioner at London. a/ Wool exported in the grease only. This constitutes bulk of wool. In the season 1938-39 only 3 percent of total exported in a scoured condition. b/ Exports for August not available. c/ Data not available. d/ Declared exports at American consulates according to cable from American Legation, Pretoria.

WARTIME COMMODITY CONTROL MEASURES

## COTTON

A statement of control measures affecting cotton in the United Kingdom, France, Germany, Italy, Spain, The Netherlands, Switzerland, and Egypt appeared in the issue of December 9, 1939.

Belgium

Available information on wartime control measures in Belgium is still meager. There are two important factors that make Belgium's position rather unique and difficult as regards enforcement of strict wartime control of cotton trade: (1) Its central location with the principal belligerents on three sides of the country makes strict control of all foreign trade necessary for the protection of Belgian neutrality, and (2) the cutting off of the important transshipment and reexport trade with the belligerents, as demanded by both sides, would be a serious blow to the economic system of the country. Consequently it appears that only such regulations and restrictions have been enacted as are necessary for the protection of Belgian neutrality and to preserve adequate supplies for domestic use. The increasing importance of Belgium's reexport trade in cotton is shown in the following table.

RAW COTTON: Belgian reexports by countries and total imports, 1938, with comparisons

Countries	1929	1930	1934	1935	1936	1937	1938
	1,000 bales						
France.....	11	8	44	34	27	46	47
Germany.....	8	7	46	55	52	40	27
Netherlands.....	2	3	19	26	38	39	47
Poland.....	-	-	4	8	13	21	27
Switzerland.....	-	-	4	6	4	8	14
Italy.....	-	-	2	3	2	5	7
Czechoslovakia.....	-	-	-	-	-	5	a/
Others.....	3	4	8	10	3	6	7
Total reexports....	24	22	127	142	144	170	176
Total imports.....	421	385	397	445	506	616	564

Bulletin Mensuel du Commerce avec les pays étrangers. Converted to bales of 478 pounds net. a/ Less than 500 bales.

A Royal decree of August 25, 1939, provided that importation, exportation, or transit, of a list of products, including raw cotton, be made subject to previous issuance of a license. The Minister of Economic Affairs and Middle Classes was authorized to determine the date on which the decree would become effective for each product listed. The list was revised by a Royal decree of September 18 and included all cotton products as well as raw cotton. On the same date, the Minister issued

a decree making effective as of September 1, 1939, the license requirements for export and transit trade, but not for importations, of a number of products, including cotton and cotton yarns.

### Portugal

Geographical location makes wartime control of the foreign trade of Portugal much less necessary than that of countries adjoining the zone of conflict. Measures taken by the Government as a result of the war, therefore, are concerned principally with the accumulation of reserves of raw cotton and the promotion of export trade in cotton and cotton textiles

Regulations affecting the cotton trade and industry are carried out through the Cotton Trade Regulating Commission established by a Decree Law of May 15, 1937, under the Ministry of Commerce and Industry. Among its chief functions are the control of raw-cotton imports and exports of cotton textiles to Portuguese Colonies, through a system of licenses. A Decree Law of September 2, 1939, authorized the Commission to provide for the accumulation of raw-cotton reserves to meet war contingencies. Under this authorization, orders for October delivery of about 23,000 bales (478 pounds) of American cotton were approved by the Commission. Orders had previously been approved for delivery by August 31 of a total of 9,200 bales, about 6,900 of which were purchased in Brazil, 1,400 bales in the United States, and 900 bales in India. Portugal's imports of raw cotton in recent years have amounted to about 100,000 bales annually.

A Decree Law issued on September 7, 1939, authorized the Government, through the Ministry of Commerce and Industry, to exercise wide powers for the purpose of assuring and regulating the provisioning of the country, to control trade, and internal commercial and industrial activities, and to establish restrictions on consumption when necessary. Some of the measures envisaged in this decree for the control of trade in cotton and cotton textiles had already been authorized by previous decrees.

A number of regulations, put into effect just before the outbreak of war, were designed to eliminate imports of competitive cotton manufactures into Portuguese African Colonies and to give a virtual monopoly of these markets to Portuguese textile manufacturers. Prior to 1939 only about one-third of the annual textile requirements in Angola and Mozambique had been supplied by Portuguese manufacturers while they were bound by law to absorb all of the raw cotton produced in these colonies. Three Decree Laws issued on June 24, 1939, created commissions in Angola and Mozambique to regulate imports and exports of the two colonies and with the power to exclude all foreign textiles competing with Portuguese manufacturers. Decree Laws promulgated on August 11 and September 12, 1939, required that each clearance of cotton textiles for export to the colonies must be accompanied by a certificate issued by the Cotton Trade Regulating Commission showing that the goods were processed by Portuguese manufacturers.

## WHEAT: Closing Saturday prices of December futures

Date	Chicago	Kansas City	Minneapolis	Winnipeg	Liverpool	Fuencs						
	a/	a/	a/	a/	a/	Aires b/						
1938	1939	1938	1939	1938	1939	1938						
Cents	Cents	Cents	Cents	Cents	Cents	Cents						
High c/...	67	107	63	101	70	103	61	74	70	-	62	70
Low c/...	62	81	58	76	64	80	56	61	60	-	56	52
Nov. 25...	62	88	58	82	66	84	58	61	63	-	59	57
Dec. 2...	63	93	60	86	68	90	59	66	64	-	60	60
9...	64	98	62	92	69	95	61	71	67	-	59	63
16...	63	107	61	101	68	103	59	74	65	-	59	68
	:	:	:	:	:	:	:	:	:	:	:	:

a/ Conversions at noon buying rate of exchange. b/ Prices are of day previous to other prices, and February futures are used. c/ October 1 to December 16, 1939, and corresponding dates, 1938.

## WHEAT: Weekly weighted average cash price at stated markets

Week ended	All classes	No. 2	No. 1	No. 2 Hard	No. 2	Western						
	and grades	Hard Winter	Dk. N. Spring	Amber Durum	Red Winter	White						
	six markets	Kansas City	Minneapolis	Minneapolis	St. Louis	Seattle a/						
	1938	1939	1938	1939	1938	1939						
Cents	Cents	Cents	Cents	Cents	Cents	Cents						
High b/...	68	99	67	98	78	101	70	102	70	105	64	83
Low b/...	64	84	63	82	71	86	63	88	65	86	62	77
Nov. 25...	65	87	63	86	73	90	66	86	65	91	63	79
Dec. 2...	66	89	65	86	74	93	68	92	66	94	64	79
9...	68	95	57	93	77	98	70	99	69	97	64	82
16...	68	99	67	98	78	101	70	102	70	105	64	83
	:	:	:	:	:	:	:	:	:	:	:	:

a/ Weekly average of daily cash quotations, basis No. 1 sacked.

b/ October 7 to December 16, 1939, and corresponding dates, 1938.

## SOUTH AFRICA: Movement of wool clip at ports, July-October 1935 to 1939, with comparisons

July- October	Receipts at ports	Disposals at Auction	Stocks on hand at ports October 31		
			Unsold	Sold	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1935.....	63	7	16	25	41
1936.....	65	46	13	31	44
1937.....	49	25	18	15	33
1938.....	64	40	22	30	52
1939 a/...	49	29	27	28	55
	:	:	:	:	:

Crops and Markets, Union of South Africa.

a/ Conversion from bales made by average weight of bale exported in July, September and October. August exports not available.

FEED GRAINS AND RYE: Weekly average price per bushel of corn, rye, oats, and barley at leading markets a/

Week ended	Corn			Rye			Oats			Barley		
	Chicago		Buenos Aires	Minneapolis	Chicago		Minneapolis		Chicago		Minneapolis	
	No. 3	Futures	Futures	No. 2	No. 3	White	No. 2	No. 2	No. 3	No. 3	No. 2	No. 2
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
High b/	61	61	62	58	62	56	77	55	34	41	83	57
Low b/	43	42	45	40	47	44	39	41	23	27	45	41
Nov. 12	47	49	48	50	49	55	41	51	26	38	53	52
25	47	51	47	50	50	54	41	50	27	39	50	51
Dec. 2	48	53	47	52	54	54	41	52	28	40	49	52
9	51	55	50	54	59	52	43	59	29	40	50	55
16	51	56	50	55	58	53	43	64	29	41	53	55

a/ Cash prices are weighted averages of reported sales; future prices are simple averages of daily quotations. b/ For period January 1 to latest date shown.

FEED GRAINS: Movement from principal exporting countries

Commodity and country	Exports for year		Shipments, week ended a/		Exports as far as reported	
	1937-38	1938-39	Dec. 2	Dec. 9	Dec. 16	July 1 to b/ : b/
BARLEY, EXPORTS: c/	1,000	1,000	1,000	1,000	1,000	1,000 : 1,000
United States	17,614	11,215	0	92	85	Dec. 16 : 8,238 : 2,762
Canada	14,014	16,537				Nov. 30 : 10,689 : 6,284
Argentina	10,241	9,356	96			Dec. 2 : 579 : 2,429
Danube & U.S.S.R.	19,983	26,005	167	17	0	Dec. 16 : 21,514 : 3,668
Total	61,852	63,113				Dec. 16 : 41,020 : 13,123
CATS, EXPORTS: c/						
United States	12,331	5,106	3	0	2	Dec. 16 : 4,312 : 490
Canada	8,504	13,738				Nov. 30 : 1,746 : 7,782
Argentina	28,505	19,379	345	951	744	Dec. 16 : 7,122 : 11,108
Danube & U.S.S.R.	160	30	0	0	0	Dec. 16 : 0 : 70
Total	49,500	38,253				Dec. 16 : 17,150 : 19,450
COFFEE, EXPORTS: d/					Oct. 1 to	
United States	139,893	34,369	93	362	300	Dec. 16 : 10,794 : 6,700
Danube & U.S.S.R.	9,790	19,629	69	0	137	Dec. 16 : 3,764 : 712
Argentina	132,495	142,869	945	2,181		Dec. 16 : 35,743 : 18,854
South Africa	23,949	25,991	351	300	299	Dec. 16 : 4,224 : 5,415
Total	306,127	222,858				Dec. 16 : 54,525 : 31,661
United States imports						
	1,819	442			Oct. 31	23 : 30

Compiled from official and trade sources. a/ The weeks shown in these columns are nearest to the date shown. b/ Preliminary. c/ Year beginning July 1. d/ Year beginning October 1.

EXCHANGE RATES: Average values in New York of specified currencies, December 16, 1939, with comparisons a/

Country	Monetary	Year	Month			Week ended		
	unit	1938	Nov.	Nov.	1939	1939		
		1937	1938	Oct.	Nov.	Dec. 2	Dec. 9	Dec. 16
Argentina..	Paper peso	32.60	33.31	31.38	29.77	29.77	29.77	29.77
Canada.....	Dollar.....	99.42	100.07	99.25	89.33	87.76	86.59	86.97
China.....	Shag.yuan	21.36	29.44	15.80	7.64	5.35	7.65	7.26
Denmark.....	Krone.....	21.82	22.30	21.01	19.29	19.29	19.29	19.30
England.....	Found.....	486.94	499.61	470.75	401.05	392.47	390.43	390.55
France.....	Franc.....	2.83	3.39	2.63	2.27	2.22	2.21	2.21
Germany.....	Reichsmark	40.16	40.36	40.04	b/	40.13	40.11	40.11
Italy.....	Lira.....	5.26	5.26	5.26	5.05	5.04	5.04	5.05
Japan.....	Yen.....	23.45	29.09	27.43	23.51	23.44	23.44	23.44
Mexico.....	Peso.....	22.12	27.75	19.97	20.15	20.50	20.41	20.36
Netherlands	Guilder....	55.01	55.45	54.33	53.11	53.08	53.08	53.41
Norway.....	Krone.....	24.57	25.10	23.65	22.70	22.70	22.70	22.70
Sweden.....	Krona.....	25.20	25.75	24.25	23.79	23.80	23.80	23.79
Switzerland	Franc.....	22.87	23.15	22.65	22.43	22.43	22.42	22.42

Federal Reserve Board.

a/ Noon buying rates for cable transfers. b/ Not available.

WHEAT, INCLUDING FLOUR: Shipments from principal exporting countries, as given by current trade sources, 1937-38 to 1939-40

Country	Total	Shipments 1939			Shipments		
	shipments	Dec. 2	Dec. 9	Dec. 16	1938-39	1939-40	
	bushels	bushels	bushels	bushels	bushels	bushels	bushels
1937-38	1938-39	Dec. 2	Dec. 9	Dec. 16	1938-39	1939-40	
		1,000	1,000	1,000	1,000	1,000	1,000
North America a/	124,720	245,296	(405	4,644	2,660	114,256	89,747
Canada b/	94,546	159,885	5,800	4,300	2,000	89,800	93,500
United States c/	83,589	94,157	907	423	615	27,746	23,491
Argentina.....	66,928	114,272	4,056	4,281	2,456	25,996	80,774
Australia.....	127,520	102,116	d/	d/	d/	e/18,696	e/11,028
Soviet Union.....	42,248	39,824	0	0	0	37,128	2,342
Danube & Bulgaria f/	37,232	52,848	1,024	1,664	848	19,384	17,936
British India a/	g/19,677	g/10,097	0	0	0	6,208	c
Total h/	478,325	564,453				221,668	201,827
Total European							
shipments a/	397,592	450,784					
Total ex-European							
shipments a/	99,400	146,760					

Compiled from official and trade sources. a/ Broomhall's Corn Trade News.

b/ Weekly data represent weekly clearances of wheat, plus estimated weekly flour exports through December 9; for December 16, figure obtained by subtracting the United States exports from Broomhall's estimate for North America. c/ Official reports received from 16 principal ports, only. d/ Not available. e/ Through September 2, only. f/ Black Sea shipments only. g/ Official. h/ Total of trade figures includes North America as reported by Broomhall.

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